

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice DAP-25

For: State and County Offices

Download of RMA Multi-Year and 1998 Single-Year Data for CLDAP

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A

Background

County Offices have received downloads of multi-year and RMA 1998 single-year data. Many questions have been asked concerning:

- County Office use of the information
- eligibility of producers
- reconciling incorrect ID numbers
- reconciling differences between RMA and FSA data
- providing information to producers
- referring producers to agents and RSO's.

B

Purpose

This notice:

- provides instructions on the use of RMA data
- reminds County Offices that they **shall not deny** producers the opportunity to make application
- restates related procedure in 1-DAP.

C

**State Office
Action**

State Offices shall immediately FAX this notice to County Offices.

Disposal Date

January 1, 2000

Distribution

State Offices; State Offices relay to County
Offices

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2 CLDAP Multi-Year Data

A

RMA and KCMO Processing of Data

RMA has determined producer eligibility for multi-year benefits based on indemnities paid for 1994 through 1998, along with information provided by FSA for 1994 ad hoc payments and NAP payments for 1995 through 1998. All producer ID numbers that appeared in at least 3 of those years will be compiled and provided to County Offices through KCMO, along with the total amount of indemnities and payments made.

RMA provided letters to all producers that received at least 3 years of crop insurance indemnities during the period of 1994 through 1998. RMA is also notifying all producers meeting new eligibility criteria outlined in Notice DAP-24. The letter instructed the producer to visit their local FSA office to obtain information for multi-year benefits.

B

County Office Review of Multi-Year Data

Every County Office that receives multi-year data is provided a report of the downloaded data. 1-DAP, paragraphs 1093 and 1094 provide instructions for County Offices to follow if the downloaded producer ID numbers do not appear on the county name and address file.

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3 Inquiries From Producers Included in County's Multi-Year Download

A Producers Included in County's Download

Some producers included in a county multi-year download are questioning the crops and/or amount of indemnity provided in the download. Inform producers that question their data that:

- the data is from a combination of RMA and FSA data at the time of the download
- any 1998 indemnities paid or NAP payments issued after the transmission of the data will be provided in the next download
- if an earlier year's indemnity, NAP payment, or 1994 ad hoc disaster is questioned, the producer should carefully review his or her records to verify payments received and the ID number receiving the payments
- they may appeal to RSO, if they have reviewed their records and determined that the RMA download is in fact incorrect
- they may provide additional information to support any NAP or 1994 ad hoc disaster payment to COC.

Producers who believe their insurance data is incorrect shall be given written notification of appeal rights within 30 calendar days of the date the application is denied or approved. See Notice APP-23.

Note: County Offices shall not deny any producer the opportunity to file an application. Subsequent data will continue to be provided. Incorrect data will also be corrected by RMA as RSO's rectify disputed data.

4 Inquiries From Producers Not Included in County's Multi-Year Download

A Reasons for Exclusion From County's Download

Producer's multi-year data is downloaded to the producer's control county. If a producer does not appear on the multi-year download in the control county, any of the following may apply:

- the county is the producer's control county and 1 of the qualifying years is 1998, but because of insufficient time, the NAP payment or the indemnity record has not been downloaded to the county
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4 Inquiries From Producers Not Included in County's Multi-Year Download (Continued)

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Reasons for Exclusion From County's Download (Continued)

- the specific producer ID number did not appear, according to the combined RMA and FSA data, to have received a combination of indemnity, NAP, and disaster payments in at least 3 qualifying years
- the producer no longer farms and is not on the name and address file for any FSA county. In this case, the data was downloaded to the county where the loss occurred. If the loss occurred in more than 1 county, the data was downloaded to the county with the lowest State and county code.

B

County Office Action

Use the following table to advise producers applying for multi-year benefits but were not included in the county's multi-year download.

If the producer...	THEN...
is a multi-county producer and the County Office is not the control county	<p>refer the producer to the applicable control county.</p> <p>Reminder: Producers shall file 1998 single-year applications in the county where the loss occurred.</p> <p>Note: For combined producers, the control county for the combination received the records.</p>
is a multi-county producer and the County Office is the control county	<ul style="list-style-type: none"> • accept an application from the producer even though eligibility is not known or evidence indicates that the producer is not eligible <p>Note: Do not deny producer the opportunity to file an application.</p> <ul style="list-style-type: none"> • review the download report to ensure that the producer is not listed with an incorrect ID number <p>Note: See paragraph 5.</p> <ul style="list-style-type: none"> • contact other counties the producer has an interest in to ensure that they do not have the downloaded data. <p>Note: See 1-DAP, paragraphs 1093 through 1095.</p>
no longer farms	<ul style="list-style-type: none"> • ask the producer which county the losses occurred in • if the losses occurred in more than 1 county, contact the county having the lowest State and county code to determine if the data was downloaded to that county. Provide the producer with the telephone number and address of the county in which the application should be filed. <p>Note: See 1-DAP, paragraphs 1093 through 1095.</p>

5 Exceptions to Multi-Year Eligibility

A

Overview

Multi-year eligibility is determined by identifying producer ID numbers that meet the minimum 3 of 5-year loss requirements. In certain instances, ID numbers were changed or were not included in the list for reasons beyond the control of producers that would otherwise be eligible. These exceptions include the following:

- husband and wife operations for FSA program purposes are considered separate “persons”, but were insured under only 1 of the spouse’s ID number
- changes in ID numbers because of death
- incorrect ID numbers
- ID numbers that changed but the entity remained the same.

See 1-DAP, Part 10, Section 10, Subsection 3 to make these changes in the software.

B

Husbands and Wives

RMA rules require 1 spouse to insure the crop interest of both spouses in some cases. In these cases, the information on the multi-year download will only reflect that spouse as being the eligible producer of the share for both spouses. If the total indemnities, NAP, and 1994 disaster payments equal or exceed \$320,000, the insured spouse’s CLDAP payment will be limited to \$80,000. If FSA has CCC-502’s on file with both spouses being separate “persons”, payment may be divided according to each spouse’s share on file at the County Office. This division of payment must be requested by each spouse by completing a separate CCC-540.

Dividing the RMA indemnity share between the spouses may make the spouse not recognized by RMA eligible for multi-year benefits because of NAP and 1994 disaster payments received. The spouse may provide records for NAP and 1994 payments to the County Office to determine multi-year eligibility.

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5 Exceptions to Multi-Year Eligibility (Continued)

C

Changes to ID Numbers Because of Death

Situations have been identified where for some part of the base period (1994 through 1998):

- a producer in a joint venture or entity died and the surviving members of the joint venture or entity continued as producers under a different ID number

Note: Producers may or may not be family members

- a producer died and a family member succeeded to the interest of the deceased producer and continued as the producer under a different ID number.

In these cases, the surviving members of the joint venture or entity and the succeeding family member may be eligible for payment. Documentation may be provided to COC to support that the ID number changed solely because of the death of the producer or family member. If COC determines the entity would not have changed except for the death, the County Office shall:

- identify the ID number of the surviving producers or succeeding family member to be associated with the deceased producer's ID number for determining multi-year eligibility
- submit the ID number to RMA so that indemnities can be included in the multi-year eligibility file according to subparagraph F
- once indemnity information is received for the other ID numbers, add the information to the multi-year eligibility file for payments according to 1-DAP, Part 10, Section 10, Subsection 3.

The surviving producers' and the succeeding family member's benefit can be based on the total 1994 through 1998 payments issued to the associated number.

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5 Exceptions to Multi-Year Eligibility (Continued)

D **Different ID** **Numbers With** **No Entity** **Changes**

In some cases, agents or producers used multiple ID numbers for the same producer even though there was no entity change. As a result, the producer may not qualify for multi-year benefits based on the ID number.

COC's may correct the eligibility determination for the following scenarios only.

- ID numbers were interchanged for insurance policy purposes during the years 1994 through 1998 for the same producer. An example is that an individual's ID number instead of the corporation ID number was used on an insurance policy purchased by the corporation. The ID number was corrected in a subsequent year.

Note: If any changes were made by the producer or to the entity, this rule does not apply.

- For 1 or more years, the agent used an incorrect ID number for a producer. It was corrected by the agent in a subsequent year.

Because more than one ID number was used, RMA has not determined the producer eligible. In these cases, the producer may submit documentation proving losses and that the producer did not change during the period. If COC approves the application based on both ID numbers, the associated ID numbers shall be submitted to RMA according to subparagraph E so that indemnities can be determined.

E **RMA** **Notification**

The following information shall be forwarded to RMA to obtain necessary indemnity payment information for associated ID numbers:

- each ID number to be associated
- producer name
- reason for exception.

The request shall be completed and FAXed to the appropriate RSO using the worksheet in Exhibit 1. Ensure that the County Office telephone and FAX numbers are provided on the worksheet. The FAX numbers for RSO's are in Exhibit 2.

County Offices shall file a copy of the request for information with the producer's CLDAP documents.

RSO shall provide the required information for the producer to the County Office.

6 Incorrect Information on 1998 Single Year

A

Overview

Because of different program rules of both RMA and FSA, downloaded data from RMA may not agree with FSA records. County Offices are not responsible for comparing records to determine differences. The basic rule is that RMA data shall be used. However, if documented evidence is available that COC determines is more accurate for CLDAP, COC's have the authority to use the most accurate evidence and make changes according to this paragraph. All changes must be supported by documentation.

All changes made to the data downloaded by RMA shall be recorded on the compliance worksheet in Exhibit 3 and kept in the producer's file.

See 1-DAP, Part 10, Section 10, Subsection 3 for adjusting data according to this paragraph.

B

Identified ID Number Problems

Numerous cases have been reported that the ID number on the download printout does not agree with the FSA records for the producer. In some cases, either the digits are transposed or all the digits are different.

County Offices shall determine the correct ID number to use for applications. If the ID number is:

- incorrect on FSA records, correct all records according to 1-CM, paragraph 300 and process applications using the correct number
 - correct on FSA records:
 - use the correct number on FSA records for processing CLDAP application
 - advise producer to notify agent.
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6 Incorrect Information on 1998 Single Year (Continued)

C

Production Differences

Data used by RMA to determine 1998 indemnities have been downloaded to the County Office where the loss occurred. Several questions have been asked concerning differences in the production provided by RMA and production quantities available in the FSA office or from other sources.

The basic rule is that RMA data shall be used. However, if COC becomes aware of discrepancies that are not considered potential abuse cases, the data may be corrected so that CLDAP payments are based on the most accurate information. See paragraph 7 for suspected abuse cases.

Note: In many cases, RMA appraised production for crops that were to be harvested for an unintended use. The producer subsequently requested LDP on the harvested crop. Because of the formulas used to determine LDP production when the crop was harvested for an alternative use, the production from RMA and for LDP's will seldom match. In this case, use RMA data.

D

Share Differences

1998 single-year RMA data may show producer shares that differ from the information in FSA offices.

RMA operating procedure allows agents to write policies to:

- 1 spouse for the entire crop share instead of just the share of that spouse
- 1 member of a joint operation to insure the total share for the joint operation under 1 member's ID number
- a tenant for the landowner's share.

The basic rule is that RMA data shall be used. However, COC may change share information to reflect the actual circumstances determined to exist if the other producers sharing in the crop requests a disaster payment. The benefits for the share of the producers who's share was covered by another producer shall be considered insured on all units for which those producers share.

Note: COC shall make share corrections for those cases having shares in excess of 100 percent.

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6 Incorrect Information on 1998 Single Year (Continued)

E

Acreage Differences

1998 single-year RMA data may show crop acreage that differs from the information in FSA offices. Examples of acceptable differences are:

- some acreage of the crop is noninsurable and, therefore, not reflected on RMA data
- producers were not required to adjust RMA acres for small differences.

The basic rule is that RMA data shall be used. However, COC may change reported acreage information to reflect the actual circumstances if records are available to show more accurate acreages.

F

Harvested and Unharvested Acres

1998 single-year RMA data may show acres as being unharvested because of appraised acreage that was actually harvested as a use other than intended. See 1-DAP, subparagraph 1093 F for these situations.

G

Incorrect Unit Structure

CLDAP benefits are based on units as established by RMA for insured crops. This may include optional units for producers who have purchased limited and additional levels of insurance coverage. 1998 single-year RMA download data does not contain enough information for County Offices to determine the correctness of downloaded unit structure. This information shall not be changed. Use the downloaded unit structure. If the County Office suspects an incorrect establishment of units, notify the RMA Regional Compliance Field Office using instructions in paragraph 7.

7 Handling Suspected Cases of Program Abuse

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Overview

When it appears a producer has provided false or erroneous data, or intentionally misrepresented a material fact in an attempt to enhance potential program payments, further action is necessary. This does not include unintentional reporting or certification errors, unless the errors are so great they impact program integrity.

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7 Handling Suspected Cases of Program Abuse (Continued)

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**County Office
Action**

The following actions should be taken to address suspected program abuse discovered by County Offices:

- the County Office shall initially review identified significant discrepancies between crop insurance and FSA records to determine the suspected abuse of the FSA programs or crop insurance
- upon determining that the abuse is of FSA programs, take action according to the applicable FSA handbook
- upon determining that the suspected abuse is of crop insurance, the County Office shall refer the case to the State Office, who shall refer the case to the nearest RMA Risk Compliance Field Office using the compliance worksheet in Exhibit 3.
- Refer only suspected program abuse.
- Include information detailing the suspected program abuse, the principals involved, and any pertinent facts and/or documents that will aid in researching the problem and resolving the discrepancy.

Note: In those cases where the crop insurance information indicates the 1998 payment was based on appraised unharvested production, and producer records provided to FSA indicate the crop was harvested, the case shall always be referred to the Compliance Field Office. Because this is a violation of the terms of the crop insurance policy, forwarding all these instances is appropriate.

For any producer suspected of program abuse, do not approve the application until the case is resolved.

C

**State Office
Action**

State Offices shall FAX a copy of all submitted worksheets to PECD at 202-720-0051.

Notice of COC Request for Crop Insurance Information Related to the Crop Loss Disaster Assistance Program (CLDAP)

LINE 1: Enter Producer Name Data
Modification is approved for: _____

LINE 2: The SSN/EIN to Move Data To: _____

LINE 3: The SSN/EIN to Move Data From: _____

LINE 4: Reasons for Exception:
 ____ Different ID number with no producer or entity changes
 ____ Death: Succession by family member
 ____ Death: Joint operation or entity member

LINE 5: 1994__ 1995__ 1996__ 1997__ 1998__
 RSO Check Applicable Years to Move/Consolidate data:

LINE 6: For RSO Use Only (Enter applicable total dollar amounts for each crop year for the associated ID numbers)

1994 Indemnity Amount	
1995 Indemnity Amount	
1996 Indemnity Amount	
1997 Indemnity Amount	
1998 Indemnity Amount	
Total Indemnity Amount	

 FSA signature (required) Date: RMA signature (required) Date:

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Notice of COC Request for Crop Insurance Information Related to the Crop Loss Disaster Assistance Program (CLDAP) (Continued)

Instructions for Filling Out Notice of COC Request for Crop Insurance Information Related to the Crop Loss Disaster Assistance Program (CLDAP)

Once COC approves an adjustment for combining data associated with 2 or more Social Security numbers, the COC/FSA employee will complete the following:

LINE 1: Enter correct entity name.

LINE 2: Enter the SSN/EIN that is to be credited with additional data.

LINE 3: Enter the SSN/EIN that the data is to be moved from.

The responsible FSA employee will affix their signature to the form and FAX to the appropriate RSO. (FAX numbers are included in Exhibit 2.)

Within 2 days of receipt of the form from FSA, the responsible RSO employee shall do either of the following:

- research the policyholder inquiry for the affected SSN/EIN and complete the following for multi-year qualifying producers:

LINE 5: Enter an "X" indicating **only** the affected years for which LINE 3 data is to be moved from.

LINE 6: Enter the total amount of indemnities for **all crops** corresponding to the crop year(s) marked in LINE 5.

- affix all additional documentation to the form, sign as the contact point for RMA if additional information is required, and return to the submitting FSA office.
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RSO Telephone and FAX Numbers

Regional Service Offices Effective January 1, 1999	
Regional Service Office	Telephone and FAX Number
Billings	406-657-6447 FAX: 406-657-6573
Jackson	601-965-4771 FAX: 601-965-4517
Oklahoma City	405-879-2700 FAX: 405-879-2741
Raleigh	919-875-4880 FAX: 919-875-4915
Sacramento	530-792-5870 FAX: 530-792-5893
Spokane	509-353-2147 FAX: 509-353-3149
Springfield	217-241-6600 FAX: 217-241-6618
St. Paul	651-290-3304 FAX: 651-290-4139
Topeka	785-266-0248 FAX: 785-266-2487
Valdosta	912-242-3044 FAX: 912-244-6103

Compliance Worksheet

Compliance Worksheet U.S. Department Of Agriculture Commodity Credit Corporation DATA DISCREPANCIES Farm Service Agency - Risk Management Agency	County Office Name, Address, Telephone No.	
Exchange of data for CLDAP purposes revealed the following differences in FSA and RMA producer records:	State and County Code	
	Farm Service Agency Records	Risk Management Agency Records
Name of Producer:		
ID No. And Type:		
Unit Number:		
Insurance Policy Number:		
Crop Name:		
Crop Type:		
Cropping Practice:		
Crop Acreage Reported:		
Producer Shares:		
Production Reported:		
Indemnity Paid (producer data):		

Comments: